

Naturopathic Physicians Medical Board

	FY 2022 ACTUAL	FY 2023 ESTIMATE	FY 2024 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	2.0	2.0	2.0
Personal Services	82,500	98,000	98,000
Employee Related Expenditures	31,800	38,600	38,600
Professional and Outside Services	26,000	30,100	30,100
Travel - In State	100	4,800	4,800
Other Operating Expenditures	40,400	40,500	40,500
AGENCY TOTAL	180,800	212,000	212,000 ^{1/}
FUND SOURCES			
<u>Other Appropriated Funds</u>			
Naturopathic Physicians Medical Board Fund	180,800	212,000	212,000
SUBTOTAL - Other Appropriated Funds	180,800	212,000	212,000
SUBTOTAL - Appropriated Funds	180,800	212,000	212,000
TOTAL - ALL SOURCES	180,800	212,000	212,000

AGENCY DESCRIPTION — The board licenses and regulates naturopathic physicians, and naturopathic medical assistants. The board certifies physicians to dispense natural remedies, and accredits and approves naturopathic medical schools, internships, and programs. The board also investigates persons unlawfully practicing naturopathic medicine and refers them for prosecution. This agency is one of several housed within the Arizona Department of Administration Central Services Bureau.

FOOTNOTES

^{1/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

Operating Budget

The Baseline includes \$212,000 and 2 FTE Positions from the Naturopathic Physicians Medical Board Fund in FY 2024 for the operating budget. These amounts are unchanged from FY 2023.

Other Issues

Auditor General Report

In June 2022, the Auditor General published a Naturopathic Physicians Medical Board audit that included recommendations for improvements to the board's policies and procedures for processing, investigating and adjudicating complaints, remitting revenues to the General Fund, reviewing the appropriateness of its fees, and complying with open meeting laws.

Specifically, the audit found the board did not resolve 11 of 27 complaints it received within 180 days in FY 2021 and had not fully implemented recommendations from a

2014 audit that identified a similar problem. It recommended the board implement time frames for the key steps of the complaint resolution process, as well as contract for complaint investigation services in some cases.

In addition, the audit found the board had not appropriately evaluated its fees. The board had not updated its fees since 2013 and lacked fee-setting policies and procedures that would ensure it is not receiving significantly greater revenue than the cost of its operations. *(The board's year-end fund balance was \$1,910,300 in FY 2022. Please see the Summary of Funds section for more information.)* The audit recommended the board develop such policies and procedures.

In response, the department concurred with the recommendations resulting from the audit.

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
Naturopathic Physicians Medical Board Fund (NBA2042/A.R.S. § 32-1505)		Appropriated
Source of Revenue: Monies collected by the board from the examination and licensing of naturopathic physicians. The board retains 90% of these monies and deposits 10% in the General Fund.		
Purpose of Fund: To examine, license, investigate, and regulate naturopathic physicians, and naturopathic medical assistants and for board administration.		
Funds Expended	180,800	212,000
Year-End Fund Balance	1,910,300	2,143,100